



Money Matters Program: 10th Grade

Time (and money) is on your side!

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Title	Money Matters Program: 10th Grade
Suggested Quarter	Any
Content Standards and Objectives	<p>Objectives and Objective I.D.</p> <p>ELA.10.R.C1.4 Cite strong and thorough textual evidence to support analysis of what the informational text says explicitly as well as inferences drawn from the informational text recognizing when the text leaves matters uncertain. (CCSS RI.9-10.1)</p> <p>ELA.10.R.C2.4 Determine the meaning of words and phrases as they are used in an informational text, including figurative, connotative and technical meanings; analyze and defend the cumulative impact of specific word choices on meaning and tone (e.g. how the language of a court opinion differs from that of a newspaper). (CCSS RI.9-10.4)</p> <p>SS.10.E.5 Critique the cause and effect relationship between the labor movement, industrialization and urbanization in the United States.</p> <p>SS.10.E.6 Explain the concept of capitalism and compare the basic components of other economic systems.</p>

21st Century Skills	Learning Skills & Technology Tools	Teaching Strategies Culminating Activity	Evidence of Success
Information and Communication Skills:	Students work together to negotiate value and cost and to determine the price of the product.	Students will participate in an Auction Market.	Students successfully formed teams in order to invest their mutual funds into a product.
Thinking and Reasoning Skills:	<p>21C.O.9-12.2.LS1 - Student engages in a critical thinking process that supports synthesis and conducts evaluation using complex criteria.</p> <p>21C.O.9-12.2.LS3 - Student engages in a problem solving process by formulating questions and applying complex strategies in order to independently solve problems.</p>	Teacher will monitor students' collaboration with peers in their groups to ensure that all are participating and contributing.	The student will explore credit concepts and vocabulary.
Personal and Workplace Skills:	21C.O.9-12.3.LS1 - Student remains composed and focused, even under stress, willingly aligns his/her personal goals to the goals of others when appropriate, approaches	Teacher will monitor individuals or pairs to determine their ability and willingness to listen to one another and accept others' ideas.	Students will work effectively within groups to complete the assignment.

	<p>conflict from win-win perspective, and derives personal satisfaction from achieving group goals.</p> <p>21C.O.9-12.3.LS2 - Student independently considers multiple perspectives and can represent a problem in more than one way, quickly and calmly changes focus and goals as the situation requires.</p> <p>21C.O.9-12.3.LS5 - Student exhibits positive leadership through interpersonal and problem-solving skills that contribute to achieving the goal. He/she helps others stay focused, distributes tasks and responsibilities effectively, and monitors group progress toward the goal without undermining the efforts of others</p>		
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Performance Objectives (Know/Do)	<p>Know:</p> <ol style="list-style-type: none"> 1. Specialized vocabulary 2. The difference between a need and want 3. Opportunity cost <p>Do:</p> <ol style="list-style-type: none"> 1. Determine wants vs. needs 2. Make decisions based on necessity
Enduring Understandings	<ol style="list-style-type: none"> 1. Wants are items one can live without and needs are the necessities that one needs for survival. 2. Opportunity cost is the benefits one could receive by taking an alternative action. 3. Budgeting helps us understand that opportunity costs must be considered when determining needs and wants and making economic decisions.
Essential Questions	<ol style="list-style-type: none"> 1. How do events affect your needs and wants? 2. How does opportunity cost influence our needs and wants? 3. How is deferred gratification related to needs and wants?
Learning Plan & Notes to Instructor	<p>The State Auditor serves as the Commissioner of Securities in West Virginia. The State Auditor's Office, Securities Division registers broker/dealers, investment advisers, and the investment firms doing business in West Virginia. The Securities Division also enforces state securities law, and offers</p>

	<p>investor education programming in an effort to thwart investment fraud. Money Matters was developed to bring the basic principles of investor education to the classroom, and has been presented to over 38,000 students since its inception in 2000. The worksheets and activities included here are designed to prepare students for the Money Matters program.</p> <p>Making the most of your money starts with five building blocks for managing and growing your money -- The MyMoney Five. Keep these five principles in mind as you make day-to-day decisions and plan your financial goals.</p> <p>Earn</p> <p>The Earn principle is about more than the amount you are paid through work. This principle is about knowing the fine print and details about your paycheck, including deductions and withholdings.</p> <p>Save and Invest</p> <p>Saving is a key principle. People who make a habit of saving regularly, even saving small amounts, are well on their way to success. It's important to open a bank or credit union account so it will be simple and easy for you to save regularly. Then, use your savings to plan for life events and to be ready for unplanned or emergency needs.</p> <p>Protect</p> <p>The Protect principle means taking precautions about your financial situation. It stresses the importance of accumulating savings in case of an emergency, and buying insurance. Be vigilant about identity theft, and keep aware of your credit record and the credit score.</p> <p>Spend</p> <p>The fundamental concept of Spend is: make a budget or a plan for using your money wisely. It's helpful to set short and long-term financial goals and manage your money to meet them.</p> <p>Borrow</p> <p>Sometimes it's necessary to borrow for major purchases like an education, a car, a house, or maybe even to meet unexpected expenses. Your ability to get a loan generally depends on your credit history, and that depends largely on your track record at repaying what you've borrowed in the past and paying your bills on time.</p>
Academic Prompts	<p>Personal Finance Vocabulary (25pts.)</p> <p>Students will be given a worksheet that lists twelve personal finance vocabulary words and their definitions. They are instructed to match the word with the correct definition.</p> <p>Time Value of Money (25pts.)</p> <p>Students will complete an activity that shows how investing sooner rather than later will benefit them in the long run by acquiring more money.</p> <p>Budgeting 101 (25pts.)</p> <p>Students will use the salary they one day hope to earn as the basis to create a monthly budget in which the goal is to determine the amount needed to put</p>

	away every month for a comfortable retirement.
Culminating Assessment or Product	<ul style="list-style-type: none"> Students will participate in the Money Matters Program presented by the State Auditor's Office (25pts.)
Links and Other Resources	<p>The websites below are listed to help answer any questions you might have about personal finance or can be used to further research the topics discussed throughout the lesson plan. Included are multiple stock market websites and the website for the WV State Auditor.</p> <p> http://www.wvsao.gov/ (investor education material found in Securities) http://www.nasaa.org/investor-education/ http://www.investorprotection.org http://www.sec.gov/investor/tools/quiz.htm http://www.mymoney.gov (federal agencies' financial literacy outreach) http://finance.yahoo.com/ http://www.marketwatch.com/game/wv-fbla-pbl-league (WV FBLA) http://www.marketwatch.com/game (free stock market simulator) http://www.investopedia.com/simulator/ (free stock market simulator) http://www.smartstocks.com/ (stock market simulator) http://www.smgww.org (stock market simulator) https://nyse.nyx.com/ http://www.jumpstart.org/ (clearinghouse) http://www.moneyasyoulearn.org/ http://www.finra.org/Investors/index.htm http://www.americasaves.org/ </p>

Acknowledgements:

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Includes Material From:

Go West on a Budget!

Kathy Jones

Go West Young Man or Woman

Barbara Barkley

Name: _____

Budgeting 101

Find the average salary for the career you wish to have and the average cost of living where you plan to live once you are finished with school. Decide on whether or not you plan on getting married or having children. Create a budget using your expected salary. Ask your parents what they pay for utilities in order to get an estimate, or you can use the Cost-Of-Living Reality Check at Kiplinger.com: (<http://www.kiplinger.com/article/spending/T050-C006-S001-cost-of-living-reality-check.html>). Use the True Cost to Own (TCO) calculator at www.edmunds.com/tco.html to estimate the maintenance costs of a car over time. You have to save for retirement as well. The average person will need 80% of their previous annual salary for retirement. You can go to Choose To Save's Ballpark Estimator (<http://choosetosave.org/ballpark/index.cfm?fa=interactive>) to help calculate how much you should put away each month in order to retire comfortably. **(25pts.)**

Expected Salary
\$

Monthly Expenses	Budget
Mortgage/Rent	
Car/Property Tax	
Car Payment	
Gasoline	
Groceries	
Electric Bill	
Phone Bill	
Wireless Bill	
Cable Bill	
Internet Bill	
Water Bill	
Gas Bill	
Credit Card Bill	
Car Maintenance (Edmunds.com)	
Home Maintenance	
Retirement Investments	
Health/Life/Car Insurance	
Restaurants	
Entertainment (movies, ball games, etc...)	
Savings Account	
Children's College Fund (\$60 per child)	
Charitable Giving	
Hobbies	
Other:	
Other:	

Budgeting 101

Categories	25pts.	20pts.	15pts.	10pts.
Support	Most major points are supported with specific detail	Some points supported by specific detail	Most points supported by general statements	There is an attempt at supporting statements
Use of Resources	The student easily creates monthly budget.	The student is able to create monthly budget independently.	The student has some difficulty creating monthly budget.	The student requires frequent assistance in creating monthly budget.
Format	Follows accepted standard formatting guidelines and is the requested length	Follows most of the accepted formatting guidelines and is the requested length	Does not follow accepted standard formatting guidelines and is over or under the requested length	Does not follow accepted standard formatting guidelines and is significantly over or under the requested length
Spelling and Grammar	Grammar and spelling are correct.	There are few errors in grammar and/or spelling.	There are some errors in grammar and/or spelling.	There are many errors in grammar and/or spelling.

Name: _____

Time Value of Money

This worksheet will demonstrate the importance of investing early in life. Investor A invests \$2,000 a year for 10 years, beginning at age 25. Investor B waits 10 years, then invests \$2,000 a year for 31 years. Assume that both accounts have a 9% fixed rate of return, compounded annually. All interest is left in the account and added to the principal. Find the year-end value for both accounts, over the next 41 years. Which earned more? **(25pts.)**

Investor A

Age	Years	Contribution	Year-End Value
25	1	\$2,000	
26	2	\$2,000	
27	3	\$2,000	
28	4	\$2,000	
29	5	\$2,000	
30	6	\$2,000	
31	7	\$2,000	
32	8	\$2,000	
33	9	\$2,000	
34	10	\$2,000	
35	11	\$0	
40	16	\$0	
45	21	\$0	
50	26	\$0	
55	31	\$0	
60	36	\$0	
65	41	\$0	

What is your total value at retirement? \$ _____

What is your total after subtracting your contributions? \$ _____

What is your total net earning? \$ _____

Investor B

Age	Years	Contribution	Year-End Value
25	1	\$0	
26	2	\$0	
27	3	\$0	
28	4	\$0	
29	5	\$0	
30	6	\$0	
31	7	\$0	
32	8	\$0	
33	9	\$0	
34	10	\$0	
35	11	\$2,000	
40	16	\$10,000	
45	21	\$10,000	
50	26	\$10,000	
55	31	\$10,000	
60	36	\$10,000	
65	41	\$10,000	

What is your total value at retirement? \$ _____

What is your total after subtracting your contributions? \$ _____

What is your total net earning? \$ _____

Name: _____

Personal Finance Vocabulary Worksheet

Listed below are a set of twelve personal finance vocabulary words and their definitions. Match the word with the definition that you believe to be correct. **(25pts.)**

1. ____ 401(k) Plan

7. ____ Inflation

2. ____ Traditional IRA

8. ____ Defined-Contribution Plan

3. ____ Roth IRA

9. ____ 457 Plan

4. ____ 403 (b) Plan

10. ____ Time Value of Money

5. ____ Principal

11. ____ Diversification

6. ____ Defined-Benefit Plan

12. ____ Bankruptcy

- A. A non-qualified deferred-compensation plan available for government and certain non-government employers in the U.S. There is no 10% penalty for withdrawal before the age of 59 ½, but ordinary income tax rates apply
- B. The amount borrowed, or invested before earnings, or interest
- C. A defined-contribution, tax-qualified pension account provided by an employer. This account may receive matching funds by the employer. Withdrawals before the age of 59 ½ are subject to an excise tax of 10%.
- D. A legal status imposed by court order on a person or entity unable to pay debts owed to creditors
- E. An employer-sponsored retirement plan which is controlled by, and liable to the employer. Benefits are based on a known formula using factors such as salary history and length of employment
- F. An individual retirement account (IRA) that allows individuals to direct pretax income, up to specific annual limits, toward investments that can grow tax-deferred (no capital gains or dividend income is taxed)
- G. A general rise in prices of goods and services that reduces the purchasing power of money
- H. An employer-sponsored retirement plan which is managed by the employee. Employers and/or employees may contribute to the plan, but the risk is assumed by the employee. These plans may be classified as 401k, 403b, or other types of plans. Plans vary greatly among employers.
- I. An individual retirement plan where contributions are not tax-deductible and eligible distributions are tax free
- J. A tax-advantaged, and earnings tax-deferred retirement savings plan available to public education, some non-profit organizations, and other specified categories
- K. A strategy for reducing risk by spreading investment money among a number of investment types and industries
- L. The concept that an initial investment made early in life will accrue more interest than a series of deposits made later in life (due to compounding, time, rate of interest, and amount invested)